FRAUDULENT CONVEYANCE — PREFERENCES — A mortgage for $2100 on a $4200 stock of merchandise was given in a jurisdiction where a debtor in failing circumstances may prefer one creditor to the exclusion of another, to secure a creditor, who knew there were others. This mortgage included $500. advanced at the time of the execution of the instrument; the debtor was by statute entitled to an exemption of $500, and he refused to execute the instrument, unless the $500 cash be advanced. *Held*, the mortgage was invalid as to creditors. *Chamberlain Banking House* v. *Mercantile Co.* (1902), — Neb. —, 92 N. W. 172.

While the preferred creditor might lawfully secure his own debt to the exclusion of other creditors, he had no right, it was held, to aid the debtor to divert more of his property from the other creditors. Yet a purchaser buying from an insolvent debtor to secure his claim may obtain property somewhat exceeding the amount of his claim, and the fact of such excess does not invalidate the transaction, when reasonably necessary for attaining the lawful purpose of satisfying the debt. But this means not a necessity created by the creditor's unyielding demand for cash, but a reasonable necessity arising from the nature, situation or condition of the property. *Levy* v. *Williams*, 79 Ala., 171. So the assumption of a debt by the grantee due to a third person from the grantor, who is in failing circumstances, is a valuable consideration for the conveyance of real estate by the grantor to the grantee; and it is immaterial whether such third person accepts the grantee as his debtor in place of the grantor or not. *Mobile Sav. Bank* v. *McDonnell*, 89 Ala., 434, 8 So. Rep. 137, 9 L. R. A. 645. But reserving the possession for one year free of rent as part of the consideration for the property was the creation of a secret trust for the benefit of the grantor to the extent of the interest reserved and rendered the conveyance fraudulent and void as to creditors. *Lukins* v. *Aird*, 6 Wall. 78, 18 Law. ed. 750.

INSURANCE—DEATH IN SAME DISASTER—PRESUMPTION OF SURVIVORSHIP—BURDEN OF PROOF.—Oliver M. Males was insured in the defendant order for the benefit of his wife. The by-laws of the order, which were made a part of the contract, provided that in case the beneficiary in any policy should die before the insured, and no new designation had been made, the benefits should be paid to the next living blood relation in the order designated, and in default of such relations should be paid into the fund of the order. The insured and his wife both perished in the great storm on Galveston Island, and no evidence was attainable as to which survived the other. The father and mother of the insured, as his next living blood relations, sued on the policy, and the defendant interpleaded the administrator and administratrix of the wife, who filed a cross-bill. *Held*, that the father and mother of the insured were entitled to recover. *Males* v. *Sovereign Camp Woodmen of the World* (1902), — Tex. Civ. App. —, 70 S. W. Rep. 108.

Since the common law, said the court, indulges no presumptions as to survivorship where two or more persons perish in the same disaster, the burden of proof becomes the all-important point. This is decided, continued the court, by the interest the beneficiary has in the policy. And the court held that, since the insured was entitled to change the beneficiary at any time, the latter acquired no vested interest in the property but a mere expectancy, contingent on the insured not naming some other person as beneficiary. Therefore the burden of proof was on her representatives to show the happening of the contingency upon which her interest became vested. The court cited *Supreme Council* v. *Kacer* (Mo.) 69 S. W. 671; *Hilderbrandt* v. *Ames* (Tex. Civ. App.), 66 S. W. 128; *Paden* v. *Biscoe*, 81 Tex. 563, 17 S. W. 42; *U. S. Casualty Co.* v. *Kacer* (Mo.), 69 S. W. 370; *Fuller* v. *Linzee*, 135 Mass. 468.